

## Message Text

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PAGE 01 STATE 057952  
ORIGIN EB-08

INFO OCT-01 EUR-12 ISO-00 L-03 JUSE-00 COME-00 ITC-01  
OPIC-03 SS-15 SP-02 CIAE-00 DODE-00 DOTE-00  
FMC-01 INR-10 NSAE-00 CG-00 DLOS-09 OES-07 FTC-01  
/073 R

DRAFTED BY EB/TRA/MA:CTAYLOR,JR.  
APPROVED BY EB/TRA:JRATWOOD  
EB/TRA/MA:RKBANK  
EB/IFD/BP:TSCHELENKER  
L/EB:SBENSON  
EUR/NE:DGODMAN  
DOJ:ESEIDEN

-----007046 080343Z /65

R 071811Z MAR 78  
FM SECSTATE WASHDC  
TO AMEMBASSY LONDON  
INFO AMEMBASSY BONN  
AMEMBASSY BRUSSELS  
AMCONSUL HAMBURG  
AMEMBASSY THE HAGUE  
USMISSION USBERLIN  
AMEMBASSY PARIS  
AMEMBASSY BRUSSELS  
AMEMBASSY STOCKHOLM

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E.O. 11652:N/A

TAGS:EWWT, ETRD, UK

SUBJECT:ANTITRUST INVESTIGATION OF NORTH ATLANTIC CARRIERS

REF: A) LONDON 3036, B) STATE 43949, C) 77 STATE 263045  
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1. REGARDING PARA 4 OF REF A, DEPUTY ASST. SECRETARY  
ATWOOD AND DIRECTOR OF OFFICE OF MARITIME AFFAIRS BANK  
ARE PREPARED TO DISCUSS QUESTIONS RELATING TO GRAND JURY  
INVESTIGATION, ALONG WITH OTHER SHIPPING POLICY MATTERS,  
WITH LANCHIN DURING LATTER'S LATE APRIL-EARLY MAY VISIT.

2. FOLLOWING MAY BE HELPFUL TO EMBASSY RE HMG OFFICIALS' COMMENTS ON MARCH 2 DOJ LETTERS. SINCE LANCHIN INQUIRIES MAY BE LARGELY RHETORICAL, WE LEAVE TO EMBASSY'S DISCRETION WHETHER IT SHOULD INITIATE FURTHER DISCUSSIONS ON THIS SUBJECT PRIOR TO LANCHIN'S VISIT TO WASHINGTON.

A) VOLUNTARY INTERVIEWS PROPOSED IN MARCH 2 LETTERS ARE AN EFFORT TO OBTAIN INFORMATION NEEDED FOR INVESTIGATION IN MANNER WHICH WILL MINIMIZE CONFLICTS WITH OTHER GOVERNMENTS. GENERAL REACTION OF EMBASSY OFFICERS WHO RECEIVED ADVANCE COPIES OF LETTERS IN WASHINGTON WAS APPRECIATION FOR ADVANCE NOTICE AND FOR FLEXIBILITY SHOWN BY DOJ IN CHOOSING THIS METHOD OF SEEKING INFORMATION.

WE RECOGNIZE, HOWEVER, THAT TONE OF DOJ LETTER MAY APPEAR UNFORTUNATE TO SOME.

B) KNIGHTON'S COMMENT THAT HE DID NOT SEE MARCH 2 LETTERS AS RESPONSE TO COTTON CLUB REPRESENTATIONS OR TO US-CSG CONSULTATIONS IS CORRECT. IN COURSE OF SEPTEMBER 1 DISCUSSIONS WITH COTTON CLUB EMBASSIES, UNDERSECRETARY COOPER STRESSED THAT IT WOULD NOT BE APPROPRIATE TO DISCUSS MERITS OF A SPECIFIC CASE CURRENTLY IN THE JUDICIAL PROCESS BUT OFFERED INSTEAD TO HOLD GENERAL DISCUSSIONS OF POTENTIAL CONFLICTS ARISING FROM ANTITRUST AND OTHER INVESTIGATIONS OF SHIPPING PRACTICES. BOTH LIMITED OFFICIAL USE

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POINTS WERE REITERATED IN THE DEPARTMENT'S NOTE OF OCTOBER 31 (REF C). SAME PRINCIPLE OBVIOUSLY APPLIES TO US-CSG SHIPPING CONSULTATIONS CURRENTLY UNDER CONSIDERATION. WE HAVE MADE CLEAR TO REPRESENTATIVES OF THE SIX COUNTRIES THE DOJ POSITION THAT THE INVESTIGATION WOULD BE CALLED OFF OR CHANGED TO A CIVIL PROCEEDING ONLY IF EVIDENCE DEMONSTRATED THAT SUCH ACTION WAS APPROPRIATE. WE HAVE NEVER HELD OUT HOPE THAT CONSULTATIONS WOULD CHANGE THE COURSE OF THE INVESTIGATION. LANCHIN AND KNIGHTON SHOULD THEREFORE NOT BE SURPRISED BY INDICATIONS, SUCH AS THE LETTERS, THAT THE INVESTIGATION IS PROGRESSING.

C) REGARDING LANCHIN'S FIRST QUESTION IN PARA 4 OF REF A, DOJ IS PRESUMABLY AWAITING RESPONSES TO THE MARCH 2 LETTERS BEFORE DECIDING ON FUTURE ACTION. EVEN IF SOME ACTION WERE TENTATIVELY PLANNED, DOJ WOULD NOT BE PREPARED AT THIS POINT (AS A MATTER OF POLICY) TO DISCUSS ITS PLANS. VANCE

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ANTITRUST, MARINE TRANSPORTATION, INVESTIGATIONS  
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**Draft Date:** 07 mar 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
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**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
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**Disposition History:** n/a  
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**Drafter:** CTAYLOR,JR.  
**Enclosure:** n/a  
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**Type:** TE  
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**Review Markings:**  
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